



## HEADLINES

### **EU / REACH: European ministers establish political agreement on REACH**

At the extraordinary Competitiveness Council meeting on 13 December 2005, ministers from EU Member States succeeded in coming to a political agreement on the controversial chemicals legislation, REACH. Commissioner Vice President Günter Verheugen stated that the new compromise would ensure the competitiveness of industry and reduce the burden for SMEs.

In the agreement, Council reduced registration requirements for phase-in substances in the 1-10 tonne band as data will now only need to be submitted if the substances are identified as high-risk. The Council backed the Parliament's simplified registration procedure, which will reduce the number of chemicals requiring registration from 30,000 to around 12,500. There will be a single pre-registration phase so as to simplify procedures; the pre-registration time period has been increased to 18 months.

The official Council Common Position is expected to be set out in May 2006. This will be followed by a second reading in the Parliament. If the Parliament and Council reach the final decision on the legislation in the autumn of 2006, as is expected, REACH should come into force in spring of 2007. The regulation would then become fully operational in 2008.

[To see the extraordinary Competitiveness Council minutes, please go to:](#)

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### **EU / Institutions: Austrian Presidency insists on Lisbon objectives**

The Austrian government is to take over the mantle of the European Presidency from the UK on 1 January 2006. The rotating European Presidency is assigned for six months at a time, and will be held by Finland for the second half of 2006.

Following the agreement reached on the European budget in the Council meeting of 15-16 December, Austria will not preside over financing negotiation but will face the task of getting the accord through Parliament. Austria's broader economic strategy will focus on boosting the economic growth in a drive to meet the objectives of the Lisbon Agenda. The European Council discussion of a Commission report on the national reform plans submitted by the individual Member States will be a highlight of the Presidency. Austria also intends to push for improved conditions for businesses through decisions for new knowledge, stronger growth, job creation and increased productivity and competitiveness. A drive to increase research and development spending by 70% will be important for achieving this goal. The 7<sup>th</sup> framework programme on research and development and the services directive will also be high on the agenda of the forthcoming presidency.

With regards to the REACH proposals, the Austrian Presidency will have to deal with the translation of the text of the REACH document. The Council common position this issue is expected to be transmitted to Parliament for second reading in Summer 2006.

You can access the programme of the Austrian Presidency at the following link:

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### IN BRIEF

#### **EU / European Council (15-16 December): EU leaders negotiate budget agreement**

In the European Council of 15-16 December, the leaders of EU Member States succeeded in overcoming differences surrounding the budget for 2007-13. The agreed budget will amount to €862bn and seeks to increase research funding for innovation and growth by 75% between 2013 and 2006. This increase will include a 7.5% annual increase in research. In its conclusions, the Council emphasized the importance of investment in innovation and research amongst SMEs in order to create jobs and growth in Europe.

[To see the agreed financial perspectives, please go to:](#)

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#### **EU / European Council (15-16 December): Council asserts support for Better Regulation**

The European Council reaffirmed its support for the Commission's drive for simplified EU legislation. EU leaders particularly welcomed the revised impact assessment system, which the Commission has designed to judge the impacts of all major legislative proposals in its 2006 work programme. It called for the Commission to begin consistently measuring administrative burdens as part of integrated impact assessments launched in January 2006.

[To see the Council conclusions, please go to:](#)

[To see the Commission's 2006 work programme, please go to:](#)

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#### **EU / Social Affairs : Conciliation deal on optical radiation excludes natural radiation**

The conciliation procedure regarding the directive on the protection of workers from exposure to optical radiation was concluded on 6<sup>th</sup> December, with the adoption of the deal struck during the informal triologue meetings. The proposal, the fourth of a package of directives on physical agents (vibrations, noise and electromagnetic fields have already been adopted), sparked controversies on the inclusion of radiation from natural sources (e.g. sunlight or natural fires).

The compromise package presented by the UK presidency agreed with the Parliament to exclude natural optical radiation from the Directive, thus limiting its scope to artificial optical radiation. The Parliament delegation, lead by Csaba Öry MEP (EPP-ED, Hungary, Rapporteur) accepted the compromise package with some minor modifications. Parliament will formally endorse the agreement (Third reading) during the February plenary session in Strasbourg.

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## ESBA Bulletin of 22 December 2005 – Volume 7 – Number 20

### EU / Social Affairs : No agreement on the revision of the working time directive

Member states failed to agree on the revision of the working time directive at the Employment and Social Affairs Council on 8 December. The Austrian Presidency will consequently take over the issue. The revised proposal for a working time directive aims to protect workers from working extra time. It plans to limit the average working hours per week to 48 hours. However member states such as the UK oppose removing the opt-out clause, from which they have benefited since 1994. The European Parliament adopted the proposal in first reading in May 2005.

To see the results of Parliament's first reading, please go to:

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## CONSULTATIONS

### Improving the EU business environment

Unnecessary rules and red tape stand in the way of sustainable growth deter business investment and hinder job creation. In mid-March, the Commission announced further steps in its Communication on "Better Regulation for Growth and Jobs". This includes the launch of a major new simplification programme by October, 2005. In order to ensure that the programme responds to real concerns, the European Commission is keen to hear from businesses and other interested parties which rules need to be simplified.

The European Commission has now launched a public online consultation to ask business how they feel the business environment in the EU can be improved and the administrative burden reduced. Through an online questionnaire, the Commission asks companies and other interested parties to identify particularly burdensome rules and make suggestions as to how best to simplify them. The information gathered will be compiled and examined in the Commission's 'Red Tape Observatory' and individually analysed by the responsible Commission services.

*Closes 31 December 2005*

The online form entitled '[Ten minutes to improve the business environment in the EU](#)' is to be found

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## COMING UP

### EU Institutions: Important Dates

- 1 Jan 06 Austrian Presidency starts - [www.eu2006.at](http://www.eu2006.at)
- 16-19 Jan. 06 European Parliament Plenary Session (Strasbourg) –
- 19-21 Jan. 06 Informal Employment and Social Affairs Council
- 13-16 Feb. 06 European Parliament Plenary Session (Strasbourg) - vote on the service directive (possibly)
- 13-16 March 06 European Parliament Plenary Session (Strasbourg)

### Other SME related Events

- 18 January 2006 SME Intergroup Meeting on CIP, Strasbourg.
- 20.21 Jan. 06 Yes for Europea event in Vienna – More information and registration : [secretariat@yes.be](mailto:secretariat@yes.be)

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- 27 January 2006 “Hungarian SMEs and their Outlook after EU Accession”, Budapest – organised by SME Union.
- 13-14 June 2006 Vienna - “Conference on the European Charter for Small Enterprises”
- Conference organised by the Enterprise and Industry Directorate-General. More information will be soon available DG Enterprise webpage.
- 21 March 2006 Brussels - “MAP Project 2.7/2004 - Stigma of failure and early warning tools”
- Venue: Charlemagne Building - Conference organised by the Enterprise and Industry Directorate-General. More information will be soon available on DG Enterprise webpage.

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